

RELEASE AND SETTLEMENT AGREEMENT

THIS RELEASE AND SETTLEMENT AGREEMENT ("Agreement") is made and entered into as of the ____ day of _____, 2006 by and between The Jesse H. and Ruth B. Dansie Trust, a trust established under the laws of the State of Utah; Rod Dansie, an individual, for himself and as Trustee for the foregoing Trust; Richard Dansie, an individual; and Boyd Dansie, an individual (collectively, "Owner") and Kennecott Utah Copper Corporation, a Delaware corporation ("Kennecott"), collectively referred to herein as the "Parties" and individually as a "Party."

RECITALS

- A. Owner owns land designated as Parcel No. 26-33-326-001, No. 26-34-300-004, Parcel No. 26-34-300-005, and Parcel No. 26-34-300-006 located in Salt Lake County in Section 33, Township 3 South, Range 2 West (the "Property").
- B. In the late 1990s, certain yellow-brown colored soils moved from land owned by Kennecott, and from lands not owned by Kennecott, onto the Property. Owner has identified the cause of the deposition of such soils to be meteoric events that occurred in 1997 and 1998 ("Storm Events").
- C. On May 13, 2003, a representative of Owner met with a representative of Kennecott to conduct field observations of the location of the yellow-brown colored soils on the Property. As a result, the areas depicted on Exhibits "A" and "B" were identified by Owner as the areas where such soils were deposited. The outlined lands shown in Exhibit "A" consists of a portion of land covering approximately 4.8 acres; the outlined lands shown in Exhibit "B" consists of a portion of land covering approximately 2.6 acres. The yellow-brown soils lie on the surface and range from less than an inch up to four inches in depth. The foregoing soils, resulting from the Storm Events, are hereinafter referred to as the "Soils".
- D. The Soils contain lead and arsenic concentrations below the risk-based preliminary remediation goals determined by the U.S. Environmental Protection Agency, Region VIII.
- E. Data indicate that the soils located beneath the Soils may contain lead and arsenic in concentrations higher than those in the Soils because of deposition from historic mining and processing operations in Butterfield Canyon unrelated to Kennecott. Owner, however, believes that some of the underlying soils are attributable to Kennecott.
- F. Owner claims that the Property has been damaged by the Soils and that Kennecott is responsible for such damage.

G. Kennecott disputes that the Property has been damaged by the Soils, and for this and other reasons disputes that it has any liability to Owner in connection with the Soils or the Storm Events.

H. The Parties desire to settle all claims with respect to the Soils pursuant the terms set forth below.

TERMS.

1. Consideration. In exchange for the Owner's release set forth in Section 2 below, and based on the representations of Owner set forth in Section 3 below, Kennecott shall:

- 1.1. within ten (10) business days after the full execution and delivery of this Agreement, pay to Owner the sum of Sixty Thousand Dollars (\$60,000.00);
- 1.2. Between June 1 and September 1, 2007, permit Owner to dispose of the Soils at Kennecott's Bluewater I repository under the terms of the Agreement for Acceptance of Soils attached hereto as Exhibit "C"; and
- 1.3. between October 1, 2007 and October 1, 2012, permit Owner to dispose of the Soils at Kennecott's Bluewater I repository under the terms of Exhibit "C", but only during the months of June through September and only if the repository has not been closed and Kennecott has determined that there is sufficient capacity in the repository under the then-current design of the repository.

2. Release. In exchange for the consideration set forth in Section 1 above, Owner, for itself and its successors and assigns, fully and completely releases, remises, acquits and forever discharges Kennecott and any of its parents, subsidiaries, affiliated entities, beneficiaries and/or heirs, and its and their respective insurers, directors, officers, shareholders, employees, representatives and agents, and any person or entity acting for or on behalf thereof, from and against any and all claims, actions, causes of action, suits, demands, damages, costs (including attorneys' fees), expenses, judgments, liabilities, and costs of every kind and nature, whether judicial, administrative or otherwise, in law or in equity, including without limitation any direct or third party actions or actions under the federal Comprehensive Environmental Response Compensation and Liability Act and Resource Conservation and Recovery Act, for personal injury, death, property damage or other expense or injury, known or unknown, foreseen, unforeseen or unforeseeable ("Claims"), which the Owner and any person or entity acting for or on behalf of the Owner, now has or may have, whether heretofore asserted or not, arising from, out of, or in any way related to, directly or indirectly, or based in whole or in part on any facts or matters concerned with, the Storm Events or the presence, removal or remediation of the Soils on Owner's property or the consequences thereof. Furthermore, the Owner shall not pursue, or authorize

anyone to pursue, the Claims released hereunder in any way.

Owner understands and acknowledges that the significance and consequence of this waiver of unknown claims is that, even if Owner should eventually suffer additional damages relating to the Soils or the Soils' entry onto, existence on, or removal from the Property, or with the Storm Events as they relate to the Property, the Soils, or Owner, or if Owner should discover additional evidence supporting an alleged claim at a later time, or if damages exist (but are not yet detected) as a result of the facts as otherwise described in this Agreement, Owner will not be able to make any claim against Kennecott for those damages in the future.

3. Representations.

3.1. Owner represents that it has not caused to be pending, and to its knowledge there is not pending, with any governmental agency or any state or federal court, any Claim as described in Section 2.

3.2. Owner represents that it has not assigned to any other party any Claim as described in Section 2.

3.3. Owner represents that it is the sole Owner of the Property and is fully authorized to enter into this Agreement.

4. Entire Agreement. This Agreement constitutes the entire Agreement between the Parties with respect to the subject matter hereof and may only be modified by a subsequent writing duly executed by the Parties.

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first written above.

<p>KENNECOTT UTAH COPPER CORPORATION, a Delaware corporation</p> <p>By _____</p> <p>Its _____</p>	<p>THE JESSE H. AND RUTH B. DANSIE TRUST</p> <p>By: _____ Rod Dansie, Trustee</p> <p>_____ ROD DANSIE, an individual</p> <p>_____ BOYD DANSIE, an individual</p> <p>_____ RICHARD DANSIE, an individual</p>
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STATE OF UTAH

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2007 by _____ as _____ on behalf of Kennecott Utah Copper Corporation, a Delaware corporation.

[SEAL]

Notary Public

STATE OF UTAH

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2007 by Rod Dansie for himself and as Trustee of The Jesse H. and Ruth B. Dansie Trust, a trust established under the laws of the State of Utah.

[SEAL]

Notary Public

STATE OF UTAH

ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2007 by Boyd Dansie.

[SEAL]

Notary Public

STATE OF UTAH

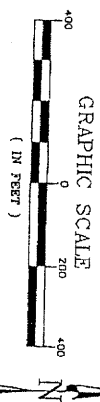
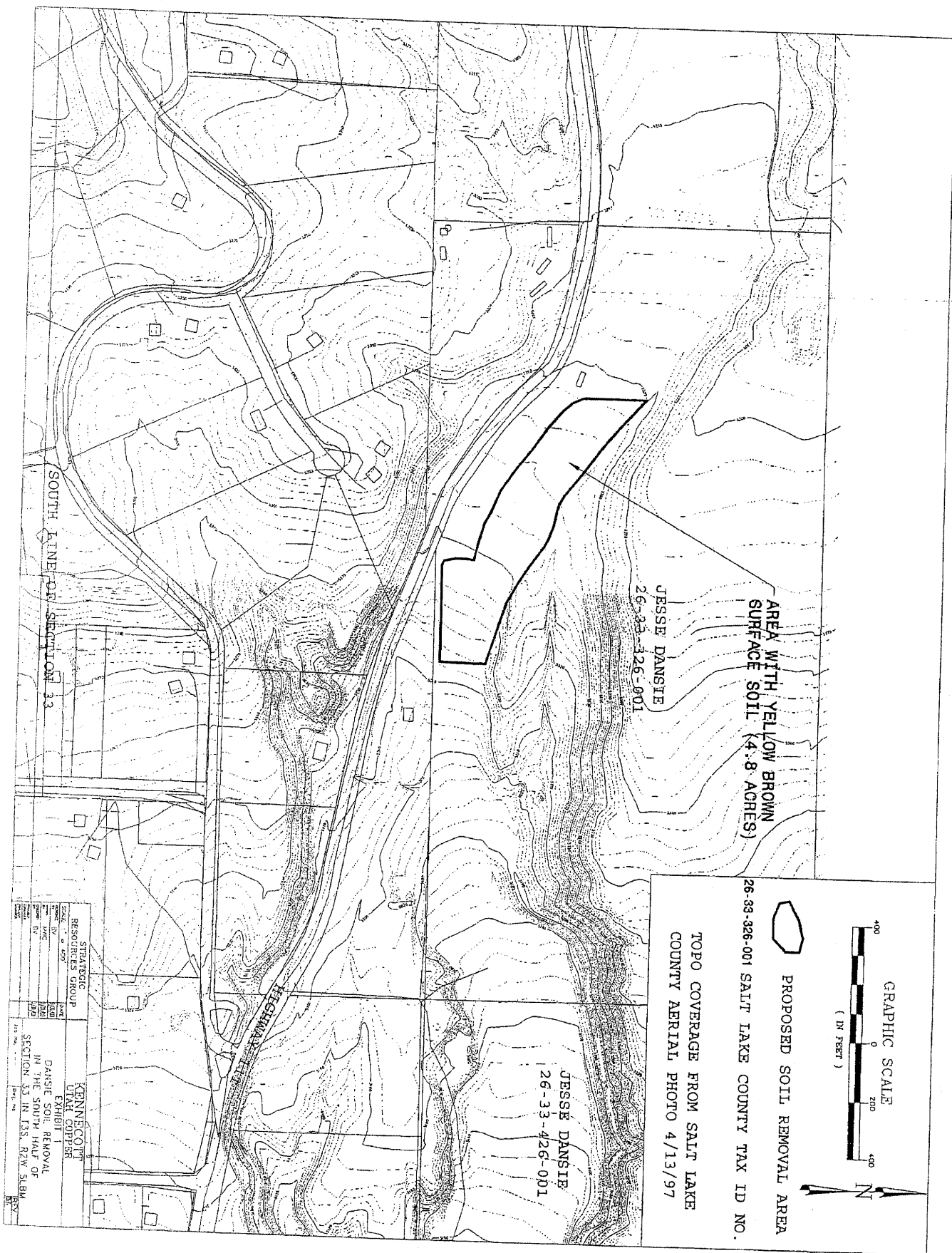
ss.

COUNTY OF _____

The foregoing instrument was acknowledged before me this ____ day of _____, 2007 by Richard Dansie.

[SEAL]

Notary Public



PROPOSED SOIL REMOVAL AREA

TOPO COVERAGE FROM SALT LAKE
COUNTY AERIAL PHOTO 4/13/97

26-33-326-001 SALT LAKE COUNTY TAX ID NO.

JESSE DANSIE
26-33-426-001

JESSE DANSIE
26-33-326-001

AREA WITH YELLOW BROWN
SURFACE SOIL (4.8 ACRES)

SOUTH LINE OF SECTION 33

STRATEGIC RESOURCES GROUP		KENNECOTT UTAH COPPER	
Scale: 1" = 400'	East	Scale: 1" = 400'	East
Sheet ID: 1000	1000	Sheet ID: 1000	1000
Project: 1000	1000	Project: 1000	1000
Drawn by: 1000	1000	Drawn by: 1000	1000
Checked by: 1000	1000	Checked by: 1000	1000
Approved by: 1000	1000	Approved by: 1000	1000
DANSIE SOIL REMOVAL IN THE SOUTH HALF OF SECTION 33 IN T3S, R2W, S4B		EXHIBIT 1 UTAH COPPER	

